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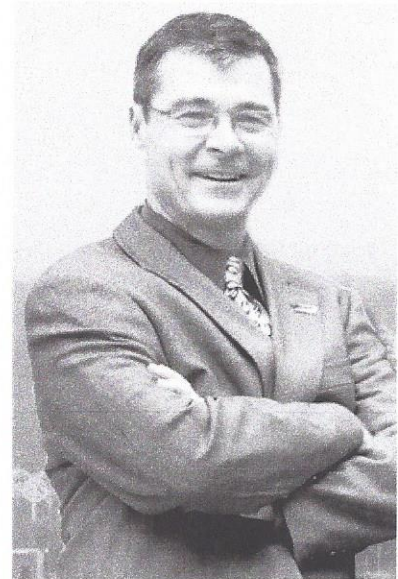
## Energiewende, fracking and lower rates

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In 2013, I made my first trip to Germany to see what the “Energiewende” was all about. This German word means “Energy Transition,” and Germany has made considerable effort to persuade the world to phase out nuclear power and develop renewable energies .

Germany’s Energy Policy is a revolutionary, bold and new approach by anyone’s definition. When I came back from my first trip to Germany, I joined Georgia Public Service Commissioner Bubba McDonald in approving a uniquely Georgian version that ushers in our own energy transition — but much more affordable. Our renewable energy policy has made Georgia one of the fastest-growing solar states in the nation — without a subsidy and without a mandated RPS (Renewable Energy Portfolio). And now, after another trip to the Berlin Energy Transition Dialogue to hear the latest from the German brain trust, I think we need to “stay the course” in Georgia. Here’s why.



Tim Echols

First, we have something in the U.S. that Germany does not have:

Cheap natural gas. This has made ALL the difference for America. Germany, hostage to Russian gas prices, has lignite coal and a vast nuclear fleet. However, after the Fukushima accident, political leaders from just about every political party in Germany felt it was time to end nuclear energy power generation in the country. They publically stated their exit strategy for nuclear and announced the closure of all reactors by 2022 . The schedule for closure of the reactors forced Germany to expedite the Energiewende to meet electricity demand. Clearly, if they had an abundance of natural gas as we do, their transition would have been much easier. Natural gas used in power plants is half the CO2 of coal, and doesn’t contain the other pollutants we use scrubbers to eliminate. More importantly, the German people don’t view gas as negatively as they do nuclear and coal.

Second, we are diversifying our energy portfolio, and Germany is narrowing theirs. Finally, let’s not forget the impact of low rates. Georgia is 14 percent below the national average, and our bills are about one-third the price of a German power bill. Companies like BMW and BASF have moved certain manufacturing processes “offshore” to America because of the cheap energy prices. Both Georgia and South Carolina eliminated the sales tax on energy used in manufacturing to attract even more industry.

Life isn’t perfect in the Peach State, and there are still many things we can learn from our neighbors near and far. Our new-nuclear projects could end-up costing us far more than we had hoped — assuming we can even finish them after a Westinghouse Chapter 11 filing. Stay tuned as this situation is very fluid.

That said, I would not trade positions with a German or French regulator for all the macaroons in France. One thing I do agree on though: Energy solutions depend on national circumstances. Let's keep moving Georgia forward.